



City of Racine

City Hall
730 Washington Ave.
Racine, WI 53403
www.cityofracine.org

Meeting Minutes - Final

Redevelopment Authority of the City of Racine

Thursday, December 6, 2018

6:00 PM

City Hall, Room 303

Call To Order

Vice Chair Adamski Torres called the meeting to order at 6:00 p.m.

PRESENT: 5 - Jen Adamski, Doug Nicholson, John Crimmings, Robert Anderson and James DeMatthew

Misc. Notes/Arrivals

Cory Mason and James Spangenberg were excused (members not listed in the attendance).

Approval of Minutes for the November 1, 2018 Meeting.

A motion was made by Nicholson, seconded by DeMatthew, to approve the minutes of the November 1st meeting. The motion PASSED by a Voice Vote.

[1259-18](#)

Subject: (Direct Referral) A request from Tamara LoPiparo for review and approval of a White Box Grant for the property at 520 Main Street.

Attachments: [\(1259-18\) 520 Main Street WB](#)

Ken Plaski, Chief Building Inspector, described the request. He stated a white box grant is being requested for 520 Main Street, the old Subway restaurant. He stated that the proposed use would be a breakfast and lunch restaurant and the applicant, Tamara LoPiparo, is requesting to use white box funds to build a fire wall so the building will not have to have a sprinkler system.

Plaski stated the Downtown Area Design Review Commission approved the grant at its meeting prior. The maximum grant award amount would be \$7,950.00.

A motion was made by Crimmings, seconded by Anderson, to approve the White Box Grant request for 520 Main Street in the amount of \$7,950.00. The motion PASSED by a Voice Vote.

[1260-18](#)

Subject: Resolution 18-35 authorizing the termination of the REC Fee grant program and repealing Resolution 15-11.

Attachments: [\(1260-18\) Resolution 18-35 REC Fee Grant Program Revocation](#)
[\(1260-18\) Res. 15-11 REC Adjustment Grant](#)
[\(1260-18\) REC Adjustment Grant](#)
[\(1260-18\) Rec Grant App.](#)

Amy Connolly, Executive Director, described the request and explained the resolution that authorized the REC Fee grant program. She stated that a water service agreement was reached that reduced REC fees from \$3,623.00 to \$500.00 and because of that, the City feels that it no longer needs to offer the grant. She stated there may be some large scale projects that may need to be incentivized, however, that would be done through developers agreements.

A motion was made by Nicholson, seconded by DeMatthew, to adopt RDA Resolution 18-35 authorizing the termination of the REC Fee grant program and repealing Resolution 15-11. The motion PASSED by a Voice Vote.

[1261-18](#)

Subject: Resolution 18-36 repealing and replacing Resolution 18-33 and approving change order no. 3 for the contract with Veit & Company, Inc. for the Water Street Redevelopment Area demolition project.

Attachments: [\(1261-18\) Resolution 18-36 Repealing Res. 18-33 and approving change no. order 3 Veit](#)
[\(1261-18\) Veit CO#3 11.03.2018](#)

Connolly explained that what was approved at a previous meeting was actually an estimate for the work to be done, not the final cost. She stated the amount that should be approved is \$108,230.50.

In response to DeMatthew, Connolly stated all of the change orders were being tracked. She said that we would have ran into change orders if another company was used as all of the issues were hidden and weren't discovered until demolition work began.

A motion was made by Crimmings, seconded by Anderson, to adopt RDA Resolution 18-36 repealing and replacing RDA Resolution 18-33 and approving change order no. 3 for the contract with Veit & Company, Inc. The motion PASSED by a Voice Vote.

[1262-18](#)

Subject: Resolution 18-37 approving change order no. 4 for the contract with Veit & Company, Inc. for the Water Street Redevelopment Area demolition project.

Attachments: [\(1262-18\) Resolution 18-37 Change Order no. 4 Veit](#)
[\(1262-18\) Veit CO#4 11.03.2018](#)

Connolly explained that 371 additional asbestos electrical boxes were discovered. She stated that a special facility must be used to dispose of asbestos.

A motion was made by Crimmings, seconded by Anderson, to adopt RDA Resolution 18-37 approving change order no. 4 for the contract with Veit & Company, Inc. The motion PASSED by a Voice Vote

[1263-18](#)

Subject: Resolution 18-38 extending the option to purchase agreement with Cardinal Capital for the former Ajax property located at 1520 and 1536 Clark Street to May 2019.

Attachments: [\(1263-18\) Resolution 18-38 Ajax Property Third Extension of Option](#)
[\(1263-18\) 2018-11-13 Third Amendment To Option - Ajax Racine](#)

Connolly explained the request. She stated there will be two buildings located on the site, one for market rate apartments and the other using LIHTC. She stated that

In response to DeMatthew, Connolly stated that right now the City of Racine controls what happens at the site and that we would like Cardinal Capital to have their financing in place.

She stated it is easier for the City vs. a private developer to receive a grant regarding cleanup and any environmental work that needs be done. She stated the former tavern on the corner is owned by Cardinal Capital.

Discussion ensued regarding demolition and environmental cleanup methods.

A motion was made by Nicholson, seconded by Anderson, to adopt RDA Resolution 18-38 extending the option to purchase agreement with Cardinal Capital for the former Ajax property. The motion PASSED by a Voice Vote.

[1264-18](#)

Subject: Resolution 18-39 granting an easement to WE Energies on RDA-owned property at 526 Marquette Street to facilitate the burial of electrical lines.

Attachments: [\(1264-18\) Resolution 18-39 Granting of Easement](#)
[\(1264-18\) Easement Exhibit](#)
[\(1264-18\) WR 4276754-redevelopment authority](#)
[\(1264-18\) Easement brochure](#)

Connolly explained that We Energies is asking for an easement to bury the utilities on site to foster a development project. She stated planners and engineers have reviewed the request.

In response to Crimmings, Connolly stated that this would not be a detriment to the city if the development did not occur.

In response to Nicholson, Jim Palenick, City Administrator, stated it will actually help the city as well as the development.

A motion was made by Crimmings, seconded by DeMatthew, to adopt RDA Resolution 18-39 granting an easement to We Energies on RDA-owned property at 526 Marquette Street. The motion PASSED by a Voice Vote.

[1281-18](#)

Subject: Resolution 18-40 recommending the use of City Intergovernmental Shared Revenue Funds for economic development assistance to the @ North Beach development and recommending approval of the incentive agreements, as proposed.

Attachments: [\(1281-18\) Resolution 18-40 @ North Beach Incentive Agreement](#)
[\(1281-18\) ABM @NorthBeach Incentive](#)

Connolly explained the request and presented the incentive package being offered (attached in a memo to this item).

In response to Adamski, Connolly stated that Royal Capital will build the parking structure and the City will own it during the term of the Tax Increment Financing (TIF).

A motion was my DeMatthew, seconded by Anderson, to adopt RDA Resolution 18-40 recommending the use of City Intergovernmental Shared Revenue Funds for economic development assistance to the @ North Beach development and recommending approval of the incentive agreements, as proposed. The motion PASSED by a Voice Vote.

[1265-18](#)

Subject: Receive a report from Neighborhood Services on "Neighborhood Services and the Microenterprise Loan Program".

Attachments: [\(1265-18\) RDA MEMO- Microenterprise Fund](#)
[\(1265-18\) Neighborhood Services Summary](#)

Matt Rejc, Manager of the Neighborhood Services Division of the Department of City Development, presented. He explained the idea behind Neighborhood Services and the desired outcomes of the division.

Rejc explained the possible land banking process for the city. He stated a lot of properties are tax delinquent, however not all can be foreclosed upon. He stated they were focusing on a few recommendations presented from the Center of Community Progress and explained the tools to achieve them. Rejc stated they would like to use Tax Increment District financing for repairs in neighborhoods as HUD rules may prevent the repair of certain housing stock due to income restrictions, etc...

Discussion ensued about rent and mortgage discrepancies once improvements are made on properties, interest rates for current loan products, and land banking.

A motion was made by Nicholson, seconded by DeMatthew, to receive and file the presentation. The motion PASSED by a Voice Vote.

Executive Director's Report

a. Update on the Southside Industrial Park

Connolly stated Jacquet is still in their Due Diligence period.

b. RDA Budget Update

Connolly stated the budget will be brought to the RDA at its January meeting.

c. Buildup Racine Web Reports

Three months of website analytics were presented. Jeff Towne, Economic Development Specialist stated that broken links were fixed on the website. Crimmings suggested linking BUR with the County.

Adjournment

There being no further business the meeting adjourned at 7:08 p.m.